AMENDMENTS TO THE CLAIMS

Please amend Claims 1, 2, 7, 9 and 10, cancel Claim 6 and add Claim 12. Following entry of the amendments in this Amendment, the pending claims in the present application read as follows:

1 (Currently Amended) A system for processing reflected infrared signals which are 1. used to control the flow of water from a water faucet or the like fluid dispensing device, 2 3 said system comprising: 4 an IR transmitting device for transmitting an IR signal toward a location proximate 5 the place from which water may be dispensed from the faucet fluid dispensing device; 6 an IR receiving device for receiving a reflected IR signal from a detection range 7 proximate the location from which water may be dispensed from the faucet fluid 8 dispensing device, said IR receiving device providing an output signal, said output signal 9 being proportional to the magnitude of the reflected IR signal; and 10 control logic configured to receive said output signal from said IR receiving 11 device, wherein said control logic compares said output signal with an activation 12 threshold to determine the presence of an object within said detection range, said control 13 logic further configured to detect the occurrence of motion within said detection range, 14 including calculating the difference between consecutive samples of said output signal 15 from said IR receiving device and comparing said difference to a pre-programmed static

- value that is indicative of movement of an object within said detection range, said control logic providing a water control signal which may be used to control the flow of water through the faucet fluid dispensing device based upon the results of the determination of the presence of an object within the detection range and the occurrence of motion within said detection range.
- 2. (Currently Amended) A system defined in Claim 1, said system-further comprising
 a water control valve, and wherein said control logic is configured to activate the said
 water control valve when either the presence of an object within the said detection range
 is determined or the occurrence of motion within said detection range is determined.
- 1 3. (Previously Presented) A system as defined in Claim 2, wherein said control logic
 2 is further configured to execute a timer for a predetermined time interval when said water
 3 control valve is activated, and to deactivate said water control valve when timer expires
 4 or when the presence of an object within the detection range is no longer determined.
- 4. (Previously Presented) A system as defined in Claim 3, wherein said control logic is configured to detect an increase in said output signal from said IR receiving device and activate the water control valve in response thereto.

- 1 5. (Previously Presented) A system as defined in Claim 1, wherein said IR
- 2 transmitting device periodically emits IR pulses, and wherein said IR receiving device is
- 3 positioned to detect reflections of said IR pulses from said IR transmitting device.
- 1 Claim 6 (Cancelled).
- 1 7. (Currently Amended) A method for processing reflected infrared signals which are
- 2 | used to control the flow of water from a water faucet or the like fluid dispensing device,
- 3 said method comprising the steps of:
- 4 transmitting an IR signal from an IR transmitting device toward a location
- 5 proximate the place from which water may be dispensed from the faucet fluid dispensing
- 6 device;
- 7 receiving a reflected IR signal with an IR receiving device from a detection range
- 8 | proximate the place from which water may be dispensed from the faucet fluid dispensing
- 9 device, said IR receiving device providing an output signal which is proportional to the
- 10 magnitude of the reflected IR signal;
- comparing said output signal from said IR receiving device to an activation
- 12 threshold to determine the presence of an object within said detection range;
- detecting the occurrence of motion within a said detection range <u>including</u>
- 14 calculating the difference between consecutive samples of said output signal from said IR

15	receiving device and comparing said difference to a pre-programmed static value that is
16	indicative of movement of an object within said detection range; and
17	controlling the flow of water through the faucet fluid dispensing device based
18	upon the results of said comparing and detecting steps.
1	Claim 8 (Cancelled).
1	9. (Currently Amended) A method as defined in Claim 7, wherein said controlling
2	step comprises activating the the a water control valve when either the presence of an
3	object within the detection range is determined or the occurrence of motion within said
4	detection range is determined.
1	10. (Currently Amended) A method as defined in Claim 9, said method further
2	comprising the steps of:
3	setting a timer for a predetermined interval upon activation of the water control
4	valve;
5	detecting the presence or absence of motion during said predetermined interval;
6	and

deactivating the water control valve when said predetermined time interval expires

or when, the water control valve when either the presence of an object within the

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- 9 detection range is determined or the occurrence prior to the detection of motion within said detection range is determined.
- 1 11. (Previously Presented) A method as defined in Claim 9, said method further
- 2 comprising the steps of:
- detecting the presence or absence of an increase in said output signal from said IR
- 4 receiving device; and
- 5 activating the water control valve in response to an increase in said output signal
- 6 from said IR receiving device.
- 1 12. (New) A method for processing reflected infrared signals which are used to
- 2 control the flow of water from a fluid dispensing device, said method comprising the
- 3 steps of:
- 4 transmitting an IR signal from an IR transmitting device toward a location
- 5 proximate the place from which water may be dispensed from the fluid dispensing
- 6 device;
- 7 receiving a reflected IR signal with an IR receiving device from a detection range
- 8 proximate the place from which water may be dispensed from the fluid dispensing
- 9 device, said IR receiving device providing an output signal which is proportional to the
- 10 magnitude of the reflected IR signal;

comparing said output signal from said IR receiving device to an activation	
threshold to determine the presence of an object within said detection range, said	
activation threshold being initially determined using an ambient reading of IR energy	
present in surrounding environment and an ambient reflection reading without an object	
in said detection range, and said activation threshold being dynamically adjusted to	
account for changes in ambient IR and ambient reflection IR;	
detecting the occurrence of motion within said detection range, including	
calculating the difference between consecutive samples of said output signal from said IR	
receiving device and comparing said difference to a pre-programmed static value that is	
indicative of movement of an object within said detection range; and	
controlling the flow of water through the fluid dispensing device based upon the	
results of said comparing and detecting steps.	